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**LOTUS RESOURCES LIMITED**

**ACN 119 992 175**

**NOTICE OF ANNUAL GENERAL MEETING**

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Notice is given that the Meeting will be held at:

**TIME:** 10am (AWST)

**DATE:** 25 November 2022

**PLACE:** Level 20, 140 St Georges Terrace, Perth, Western Australia

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# LOTUS RESOURCES LIMITED

ACN 119 992 175

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## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Shareholders of Lotus Resources Limited (**Company**) will be held at 10am (AWST) on Friday 25 November 2022 at Level 20, 140 St Georges Terrace, Perth, Western Australia (**Meeting**).

The Explanatory Memorandum to this Notice provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form are part of this Notice.

The Directors have determined pursuant to regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders at 4pm (AWST) on Wednesday, 23 November 2022.

Terms and abbreviations used in this Notice and the Explanatory Memorandum are defined in Schedule 1.

## AGENDA

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### 1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the Annual Report of the Company and its controlled entities for the financial year ended 30 June 2022, which includes the Financial Report, the Directors' Report and the Auditor's Report.

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### 2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

*"That, pursuant to and in accordance with section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report on the terms and conditions in the Explanatory Memorandum."*

**Note:** The vote on Resolution 1 will be an advisory vote of Shareholders only and will not bind the Directors or the Company.

#### Voting Exclusion Statement

In accordance with section 250R of the Corporations Act, a vote on Resolution 1 must not be cast (in any capacity) by, or on behalf of a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such member.

However, a person described above may cast a vote on Resolution 1 as proxy if the vote is not cast on behalf of a person described above and either:

- (a) the person does so as a proxy appointed by writing that specifies how the person is to vote on Resolution 1; or
- (b) the person is the Chair and the appointment of the Chair as proxy:

- (i) does not specify the way the Chair is to vote on Resolution 1; and
- (ii) expressly authorises the Chair to exercise the Proxy even though Resolution 1 is connected directly or indirectly with the remuneration of Key Management Personnel.

Further, in accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either a member of the Key Management Personnel or a Closely Related Party of such member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

Shareholders should note that the Chair intends to vote any undirected proxies in favour of this Resolution. In exceptional circumstances, the Chair may change his or her voting intention on this Resolution, in which case an ASX announcement will be made.

Shareholders may also choose to direct the Chair to vote against this Resolution or to abstain from voting.

If you purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and you may be liable for breaching the voting restrictions that apply to you under the Corporations Act.

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### 3. RESOLUTION 2 – ELECTION OF DIRECTOR – DIXIE MARSHALL

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That, pursuant to and in accordance with Listing Rule 14.4, article 14.4 of the Constitution and for all other purposes, Ms Dixie Marshall, a Director who was appointed by the Directors on 1 April 2022, retires and being eligible and offering herself for election, is re-elected as a Director.”*

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### 4. RESOLUTION 3 – RE-ELECTION OF DIRECTOR – MARK HANLON

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That, pursuant to and in accordance with article 14.2 of the Constitution and for all other purposes, Mr Mark Hanlon, a Director, retires and being eligible and offering himself for re-election, is re-elected as a Director.”*

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## 5. RESOLUTION 4 – RATIFICATION OF PLACEMENT SHARES

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*"That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 104,166,667 Shares issued under Listing Rule 7.1 on the terms and conditions in the Explanatory Memorandum."*

### **Voting Exclusion Statement**

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who participated in the issue or an associate of that person or those persons.

However, this does not apply to a vote cast in favour of this Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with directions given to the proxy or attorney to vote on this Resolution that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on this Resolution; and
  - (ii) the holder votes on this Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

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## 6. RESOLUTION 5 – APPROVAL OF LOTUS RESOURCES LIMITED OPTION PLAN

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*"That, pursuant to and in accordance with Listing Rule 7.2, Exception 13, and for all other purposes, Shareholders approve the Lotus Resources Limited Option Plan and the grant of up to 66,301,528 Options and the issue of the underlying Shares of such Options on the terms and conditions in the Explanatory Memorandum."*

### **Voting Exclusion Statement**

The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who is eligible to participate in the Lotus Resources Limited Option Plan or an associate of that person or those persons.

However, this does not apply to a vote cast in favour of this Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chair to vote on the resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
  - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

### **Voting Prohibition**

In accordance with section 250BD of the Corporations Act, a vote on this Resolution must not be cast by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

However, a vote may be cast by such person if the vote is not cast on behalf of a person who is otherwise excluded from voting, and:

- (a) the person is appointed as a proxy and the appointment specifies how the proxy is to vote; or
- (b) the person appointed as proxy is the Chair and the appointment does not specify how the Chair is to vote but expressly authorises the Chair to exercise the proxy even if the Resolution is connected with the remuneration of a member of the Key Management Personnel.

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## **7. RESOLUTION 6 – ISSUE OF OPTIONS TO KEITH BOWES**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*"That, subject to Resolution 5 being passed, pursuant to and in accordance with Listing Rule 10.14, sections 200B and 200E of the Corporations Act and for all other purposes, Shareholders approve the grant of 2,697,675 Options under the Lotus Resources Limited Option Plan to Mr Keith Bowes as follows:*

- (a) 930,233 Options, expiring 31 October 2025 and vesting after 30 June 2023 based on performance against Board approved vesting criteria; and
- (b) 1,767,442 Options, expiring 31 October 2027 and vesting after 30 June 2025 based on performance against Board approved vesting criteria,

*and any benefits under the grant of such Options (including the issue of Shares on the exercise of those Options) that may be given to Mr Keith Bowes (and/or his nominees) in connection with any future retirement*

*from his office or employment with the Company, on the terms and conditions in the Explanatory Memorandum"*

### **Voting Exclusion Statement**

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person referred to in Listing Rules 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Lotus Resources Limited Option Plan or an associate of that person or those persons.

However, this does not apply to a vote cast in favour of this Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chair to vote on the resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
  - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

### **Voting Prohibition**

In accordance with section 250BD of the Corporations Act, a vote on this Resolution must not be cast by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

However, a vote may be cast by such person if the vote is not cast on behalf of a person who is otherwise excluded from voting, and:

- (a) the person is appointed as a proxy and the appointment specifies how the proxy is to vote; or
- (b) the person appointed as proxy is the Chair and the appointment does not specify how the Chair is to vote but expressly authorises the Chair to exercise the proxy even if the Resolution is connected with the remuneration of a member of the Key Management Personnel.

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## **8. RESOLUTION 7 – APPROVAL OF 10% PLACEMENT CAPACITY**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **special resolution**:

*"That, pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of up to that number of Equity Securities equal to 10% of the issued capital of the Company at the time of issue, calculated*

*in accordance with the formula prescribed in Listing Rule 7.1A.2 and otherwise on the terms and conditions in the Explanatory Memorandum."*

### **Voting Exclusion Statement**

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely in the capacity of a holder of ordinary securities in the entity) or an associate of that person or those persons.

However, this does not apply to a vote cast in favour of this Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chair to vote on the resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
  - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

*Note: As at the date of this Notice, the Company has not identified any particular persons or class of persons who would be excluded from voting on Resolution 7.*

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## **9. RESOLUTION 8 – AMENDMENT TO CONSTITUTION**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **special resolution**:

*"That, pursuant to and in accordance with section 136 of the Corporations Act and for all other purposes, the Constitution be amended, on the terms and conditions in the Explanatory Memorandum."*

**Dated: 24 October 2022**

**By order of the Board**



**Brian Scott**  
**Company Secretary**

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# LOTUS RESOURCES LIMITED

## ACN 119 992 175

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### EXPLANATORY MEMORANDUM

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#### 1. INTRODUCTION

The Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at 10am (AWST) on 25 November 2022 at Level 20, 140 St Georges Terrace, Perth, Western Australia.

The Explanatory Memorandum forms part of the Notice which should be read in its entirety. The Explanatory Memorandum contains the terms and conditions on which the Resolutions will be voted.

The Explanatory Memorandum includes the following information to assist Shareholders in deciding how to vote on the Resolutions:

Section 1:	Introduction
Section 2:	Action to be taken by Shareholders
Section 3:	Financial Statements and Reports
Section 4:	Resolution 1 – Adoption of Remuneration Report
Section 5:	Resolution 2 – Election of Director – Dixie Marshall
Section 6:	Resolution 3 – Re-election of Director – Mark Hanlon
Section 7:	Resolution 4 – Ratification of Placement Shares
Section 8:	Resolution 5 – Approval of Lotus Resources Limited Option Plan
Section 9:	Resolution 6 – Issue of Options to Keith Bowes
Section 10:	Resolution 7 – Approval of 10% Placement Capacity
Section 11:	Resolution 8 – Amendment to Constitution
Schedule 1:	Glossary
Schedule 2:	Summary of the Key Terms of the Option Plan
Schedule 3:	Terms and Conditions of the Bowes Options

#### 1.1 Time and place of Meeting

Notice is given that the Meeting will be held at 10am AWST on 25 November 2022 at Level 20, 140 St Georges Terrace, Perth, Western Australia.

#### 1.2 Your vote is important

The business of the Meeting affects your shareholding and your vote is important.



### **1.3 Voting eligibility**

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 4pm AWST on 23 November 2022.

### **1.4 Defined terms**

Capitalised terms in this Notice of Meeting and Explanatory Memorandum are defined either in Schedule 1 or where the relevant term is first used.

### **1.5 Responsibility**

This Notice of Meeting and Explanatory Memorandum have been prepared by the Company under the direction and oversight of the Directors.

### **1.6 ASX**

A final copy of this Notice of Meeting and Explanatory Memorandum has been lodged with ASX. Neither ASX nor any of its officers take any responsibility for the contents of this document.

### **1.7 No internet site is part of this document**

No internet site is part of this Notice of Meeting and Explanatory Memorandum. The Company maintains an internet site ([www.lotusresources.com.au](http://www.lotusresources.com.au)). Any reference in this document to this internet site is a textual reference only and does not form part of this document.

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## **2. ACTION TO BE TAKEN BY SHAREHOLDERS**

Shareholders should read the Notice including the Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

### **2.1 Voting in person**

A shareholder that is an individual may attend and vote in person at the meeting. If you wish to attend the meeting, please bring the enclosed proxy form to the meeting to assist in registering your attendance and number of votes. Please arrive 20 minutes prior to the start of the meeting to facilitate this registration process.

### **2.2 Voting by corporate representative**

A shareholder that is a corporation may appoint an individual to act as its representative to vote at the meeting in accordance with section 250D of the Corporations Act. The representative should bring to the meeting evidence of his or her appointment, including any authority under which the appointment is signed. The appropriate "Appointment of Corporate Representative" form should be completed and produced prior to admission to the meeting. This form may be obtained from the Company's share registry.

### **2.3 Appointment of proxies**

Each Shareholder entitled to vote at the Meeting may appoint a proxy to attend and vote at the Meeting. To vote by proxy, please complete, sign and return the enclosed Proxy Form in accordance with its instructions. A proxy need not be a Shareholder of the Company and can be an individual or a body corporate.

A body corporate appointed as a Shareholder's proxy may appoint an individual as its representative to exercise any of the powers the body may exercise as a proxy at the Meeting. The appointment may be a standing one. Unless the appointment states otherwise, the representative may exercise all of the powers that the appointing body could exercise at a meeting or in voting on a resolution. The representative should bring to the Meeting evidence of his or her appointment, including any authority under which the appointment is signed, unless it has previously been given to the Share Registry.

A Shareholder entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If a Shareholder appoints two proxies and the appointment does not specify the proportion or number of the member's votes to be exercised, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

**(a) Proxy vote if appointment specifies way to vote**

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, if it does:

- (i) the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed);
- (ii) if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands;
- (iii) if the proxy is the Chair at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- (iv) if the proxy is not the Chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

**(b) Transfer of non-chair proxy to chair in certain circumstances**

Section 250BC of the Corporations Act provides that, if:

- (i) an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members;
- (ii) the appointed proxy is not the Chair;
- (iii) at the meeting, a poll is duly demanded on the resolution; and
- (iv) either of the following applies:
  - (A) the proxy is not recorded as attending the meeting; or
  - (B) the proxy does not vote on the resolution,

the Chair is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

The Chair intends to exercise all available proxies in favour of all Resolutions.

## 2.4 Lodgement of proxy documents

To be valid, your proxy form (and any power of attorney under which it is signed) must be received at an address given below by 10am (AWST) on 23 November 2022. Any proxy form received after that time will not be valid for the scheduled meeting. Proxies should be returned as follows:

<b>Online</b>	At <b><a href="http://www.investorvote.com.au">www.investorvote.com.au</a></b>
<b>By mail</b>	Share Registry – Computershare Investor Services Pty Limited, GPO Box 242, Melbourne Victoria 3001, Australia
<b>By fax</b>	1800 783 447 (within Australia)  +61 3 9473 2555 (outside Australia)
<b>By mobile</b>	Scan the QR Code on your proxy form and follow the prompts
<b>Custodian voting</b>	For Intermediary Online subscribers only (custodians) please visit <b><a href="http://www.intermediaryonline.com">www.intermediaryonline.com</a></b> to submit your voting intentions

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

## 2.5 Voting exclusions

Pursuant to requirements of the Corporations Act and Listing Rules, voting exclusions apply to certain Resolutions. Please refer to discussion of the relevant Resolutions in the Notice for details of the applicable voting exclusions.

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## 3. FINANCIAL STATEMENTS AND REPORTS

To table and consider the Annual Report of the Company and its controlled entities for the financial year ended 30 June 2022, which includes the Financial Report, the Directors' Report and the Auditor's Report.

At the Meeting, Shareholders will be offered the opportunity to:

- (a) discuss the Annual Report which is available online at [www.lotusresources.com.au](http://www.lotusresources.com.au);
- (b) ask questions about, or comment on, the management of the Company; and
- (c) ask the auditor questions about the conduct of the audit and the preparation and content of the Auditor's Report.

In addition to taking questions at the Meeting, written questions to the Chair about the management of the Company, or to the Company's auditor about:

- (a) the preparation and the content of the Auditor's Report;
- (b) the conduct of the audit;
- (c) accounting policies of the Company in relation to the preparation of the financial statements; and
- (d) the independence of the auditor in relation to the conduct of the audit,

may be submitted no later than five business days before the Meeting to the Company Secretary at the Company's registered office.

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## **4. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT**

### **4.1 General**

The Corporations Act requires that at a listed company's annual general meeting a resolution that the Remuneration Report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the company or the directors of the company.

The Directors' Report contains the Remuneration Report which sets out the Company's remuneration arrangements for the directors and senior management of the Company.

The Chair must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the Remuneration Report at the annual general meeting.

### **4.2 Voting consequences**

A company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, a company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the most recent financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the company.

### **4.3 Previous voting results**

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, a Spill Resolution is not relevant for the Meeting.

### **4.4 Board recommendation**

The Chair intends to exercise all undirected proxies in favour of Resolution 1. If the Chair is appointed as your proxy and you have not specified the way the Chair is to vote on Resolution 1, by signing and returning the Proxy Form, you are considered to have provided the Chair with an express authorisation for the Chair to vote your proxy in accordance with the Chair's intention even though

Resolution 1 is connected directly or indirectly to the remuneration of Key Management Personnel.

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## **5. RESOLUTION 2 – ELECTION OF DIRECTOR – DIXIE MARSHALL**

### **5.1 General**

Article 14.4 of the Constitution allows the Board to appoint a person as a Director to fill a casual vacancy or as an addition to the existing Directors. Pursuant to article 14.4 of the Constitution and Listing Rule 14.4, any Director so appointed holds office only until the next annual general meeting and is then eligible for re-election.

Ms Dixie Marshall was appointed on 1 April 2022 and accordingly will retire, and being eligible pursuant to article 14.4 of the Constitution, seeks re-election.

Details of Ms Marshall's background and experience are provided in Section 5.2.

Resolution 2 is an ordinary resolution.

### **5.2 Experience and other material directorships**

Ms Marshall has over 38 years' experience in media, advertising, government relations and communications. Ms Marshall was formerly Managing Director and is now Chief Growth Officer of Marketforce, WA's oldest advertising agency. Ms Marshall is Non-Executive Director of Frontier Energy Limited (ASX:FHE) and is a Commissioner of the WA Football Commission and the Australian Sports Commission.

### **5.3 Board recommendation**

The Board (excluding Ms Dixie Marshall) recommends that Shareholders vote in favour of Resolution 2.

The Chair intends to vote undirected proxies in favour of Resolution 2.

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## **6. RESOLUTION 3 – RE-ELECTION OF DIRECTOR – MR MARK HANLON**

### **6.1 General**

Article 14.2 of the Constitution requires that one third of the Directors (excluding any Director who was appointed since the last annual general meeting and the Managing Director) must retire at each annual general meeting (or if that is not a whole number, the whole number nearest to one third, rounded up). Article 14.2 of the Constitution requires that the Directors to retire are those who have held their office as Director for the longest period since their last election. In the event two or more Directors have held office for equal periods of time, the retiring Directors are to be determined by lot, unless otherwise agreed by those Directors.

Article 14.2 of the Constitution provides that a Director who retires in accordance with article 14.2 of the Constitution is eligible for re-election.

As at the date of this Notice, for the purposes of article 14.2 of the Constitution, the Company has five Directors, one of whom were appointed since the last annual general meeting and one of whom is the Managing Director.

Mr Mark Hanlon, retiring by rotation at this Meeting and, being eligible pursuant to article 14.2 of the Constitution, seeks re-election pursuant to Resolution 3.

Details of Mr Hanlon's background and experience are provided in Section 6.2.

Resolution 3 is an ordinary resolution.

## **6.2 Experience and other material directorships**

Mr Mark Hanlon holds a BABus(Fin) and MABus(Fin) and has over 25 years of experience in the resources and resource services sector, as well as in commercial and merchant banking. He has a broad background of senior executive experience across a wide range of industries including mining and mining services.

Mr Hanlon is currently a Non-Executive Chair of ASX listed companies Red River Resources Limited, where he also chairs the audit and risk committee, and Copper Strike Limited.

## **6.3 Board recommendation**

The Board (excluding Mr Mark Hanlon) recommends that Shareholders vote in favour of Resolution 3.

The Chair intends to vote undirected proxies in favour of Resolution 3.

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# **7. RESOLUTION 4 – RATIFICATION OF PLACEMENT SHARES**

## **7.1 General**

On 2 September 2022, the Company announced that it had completed a placement to sophisticated, professional and institutional investors to raise A\$25 million (**Placement**). Under the Placement, the Company issued 104,166,667 Shares at an issue price of A\$0.24 per share (**Placement Shares**).

Refer to the Company's announcement dated 2 September 2022 for further details in relation to the Placement.

The Placement Shares were issued on 12 September 2022 without Shareholder approval under Listing Rule 7.1.

Resolution 4 seeks ratification pursuant to Listing Rule 7.4 for the issue of the Placement Shares.

Resolution 4 is an ordinary resolution.

## **7.2 Listing Rule 7.4**

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period (**15% Placement Capacity**).

The issue of the Placement Shares does not fit within any of these exceptions and, as it has not yet been approved by Shareholders, it effectively uses up part of the 15% Placement Capacity, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the issue date.

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the company's capacity to issue further equity securities without Shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional equity securities into the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, Resolution 4 seeks Shareholder approval to ratify the issue of the Placement Shares under and for the purposes of Listing Rule 7.4.

If Resolution 4 is passed, the Placement Shares will be excluded in calculating the Company's 15% Placement Capacity, effectively increasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the issue date.

If Resolution 4 is not passed, the Placement Shares will be included in calculating the Company's 15% Placement Capacity, effectively decreasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the issue date.

### **7.3 Specific information required by Listing Rule 7.5**

In accordance with Listing Rule 7.5, the following information is provided in relation to the Placement Shares:

- (a) 104,166,667 Shares were issued to various sophisticated, professional and institutional investors. Canaccord Genuity (Australia) Limited acted as Sole Lead Manager and Bookrunner to the Placement. BW Equities Pty Ltd and Red Cloud Securities Inc. acted as Brokers to the Placement. None of the investors under the Placement are a related party, substantial shareholder or advisor of the Company or an associate of those persons.
- (b) The Placement Shares are fully paid ordinary shares and rank equally with the Company's existing Shares on issue.
- (c) The Placement Shares were issued on 12 September 2022.
- (d) The Placement Shares were issued at a price of A\$0.24 per Share, raising a total of A\$25 million (before costs).
- (e) Funds raised from the issue of the Placement Shares will be utilised for:
  - (i) progressing the development of the Kayelekera Project, including finalising the Mine Development Agreement, advancing offtake negotiation, Front End Engineering Design and project financing prior to a Final Investment Decision;
  - (ii) funding the final instalment of rehabilitation bond repayment to Paladin Energy Limited in March 2023; and
  - (iii) general maintenance and corporate costs for a period of at least 18 months.
- (f) The Placement Shares were not issued under an agreement.
- (g) A voting exclusion statement is included in the Notice for Resolution 4.

## 7.4 Board recommendation

The Board recommends that Shareholders vote in favour of Resolution 4.

The Chair intends to vote undirected proxies in favour of Resolution 4.

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## 8. RESOLUTION 5 – APPROVAL OF LOTUS RESOURCES LIMITED OPTION PLAN

### 8.1 General

The employee incentive scheme operated by the Company was approved by Shareholders on 28 November 2019. The Company is proposing to adopt a new employee incentive scheme, entitled the “Lotus Resources Limited Option Plan”, which is based on the Company's existing employee incentive scheme with minor amendments to comply with the new Division 1A of Part 7.12 of the Corporations Act which regulates employee incentive schemes (the **Option Plan**).

The Company wishes to continue to use the Option Plan to:

- (a) assist in the reward, retention and motivation of Eligible Participants;
- (b) link reward of Eligible Participants to Shareholder value creation; and
- (c) align interests of Eligible Participants with Shareholders by providing an opportunity to receive Shares;

Resolution 5 is an ordinary resolution.

### 8.2 Background

Shareholder approval of the Option Plan is sought pursuant to Listing Rule 7.2, Exception 13 to adopt the Option Plan and to enable Options (and Shares upon exercise of those Options) to be issued under the Option Plan to directors, employees and contractors of the Company. The maximum number of securities that can be issued under Listing Rule 7.1 excludes an issue of securities under an employee incentive scheme if the issue of securities under the scheme has been approved by Shareholders within the 3 years prior to the issue.

A summary of the Option Plan to be adopted pursuant to Resolution 5 is set out in Schedule 2.

A summary of Listing Rule 7.1 is provided in Section 7.2.

Listing Rule 7.2, Exception 13 provides an exception to Listing Rule 7.1. The effect of Shareholder approval under Listing Rule 7.2, Exception 13 is that any issues of securities under the Option Plan are treated as having been made with the approval of shareholders for the purposes of Listing Rule 7.1. Approval under Listing Rule 7.2, Exception 13 lasts for a period of three years.

If Resolution 5 is passed, the issue of Options (and the Shares issued upon the exercise of those Options) under the Option Plan will not be included in the 15% Placement Capacity under Listing Rule 7.1.

If Resolution 5 is not passed, the Company may still issue the Options (and the Shares issued upon the exercise of those Options) under the Option Plan but the issue will reduce, to that extent, the 15% Placement Capacity under Listing Rule 7.1.



### 8.3 Information required by Listing Rule 7.2

The following information is provided to Shareholders for the purpose of obtaining Shareholder approval for Resolution 5:

- (a) A summary of the terms of the Option Plan is contained at Schedule 2.
- (b) The number of options granted under the Option Plan since it was approved on 28 November 2019 is 54,353,651.
- (c) The maximum number of options proposed to be issued under the Option Plan following approval is 66,301,528, which represents 5% of the number of shares on issue at 21 October 2022.
- (d) A voting exclusion statement is included in the Notice for Resolution 5.

### 8.4 Board recommendation

As the Directors are excluded from voting on this Resolution pursuant to the ASX Listing Rules, the Directors decline to make a recommendation to Shareholders on this Resolution.

The Chair intends to vote undirected proxies in favour of Resolution 5.

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## 9. RESOLUTION 6 – ISSUE OF OPTIONS TO KEITH BOWES

### 9.1 Background

The Company is proposing to issue, subject to Resolution 5 being approved by Shareholders, Options under the Option Plan and on the terms detailed in Schedule 3 to Mr Keith Bowes (Managing Director) as a component of his remuneration in order to keep cash payments to a minimum and to provide incentives linked to the performance of the Company.

The Board has resolved, subject to obtaining Shareholder approval, to issue a total of 2,697,675 Options under the Option Plan, as follows:

- (a) 930,233 Options with a zero exercise price, expiring 31 October 2025 and vesting after 30 June 2023 subject to performance against Board approved vesting criteria (**STI Options**); and
- (b) 1,767,442 Options with a zero exercise price, expiring 31 October 2027 and vesting after 30 June 2025 subject to performance against Board approved vesting criteria (**LTI Options**),

(together, the **Bowes Options**).

The Board recognises the importance of retaining all key personnel and providing the appropriate incentives in order to deliver the Company's objectives. The Board believes Mr Bowes' role as Managing Director is critical to delivering these objectives. Furthermore, the grant of Options to key executives is viewed as a cost effective and efficient reward and incentive, as opposed to alternative forms of incentive, such as the payment of additional cash compensation.

The Company's remuneration arrangements provide that, subject to the Board's discretion, the Managing Director may be issued annually, unquoted options as both short-term incentives and as long-term incentives as follows:

- (a) short-term incentives which have a three-year term and a vesting date that is 12 months from the date of Board approval of the grant of such options, with a value equal to 50% of the Managing Director's base salary; and
- (b) long-term incentives which have a five-year term and a vesting date that is 36 months from the date of the grant of such options, with a value equal to 95% of the Managing Director's base salary.

As the performance periods for the STI Options and LTI Options is 1 July 2022 to 30 June 2023 and 1 July 2022 to 30 June 2025 respectively, the number of STI Options and LTI Options has been determined based on a share price of A\$0.215 being the share price on 30 June 2022 and which is higher than the 5 day VWAP to that date.

The STI Options and LTI Options vest subject to an assessment by the Non-Executive Directors of performance against objectives related to key aspects of the Company's business, including:

- (a) Safety and environment – zero fatalities, serious incidents and zero major environmental incidents;
- (b) Financial – costs related to budget and annualised care and maintenance costs;
- (c) Project – securing offtake agreements, executing the mine development agreement, achieving mineral resource growth and furthering of the Company's environmental, social and governance objectives; and
- (d) Corporate – share price performance relative to peer group and share register related objectives.

If Resolution 6 is passed, the STI Options and LTI Options will be issued to Mr Bowes (and/or his nominees) as soon as reasonably practicable following the conclusion of the Meeting.

If Resolution 6 is not passed, the Company will not be able to proceed with the issue of the STI Options and LTI Options and may need to consider alternative forms of remuneration for Mr Bowes.

Resolution 6 is conditional on Resolution 5 being approved by Shareholders.

Resolution 6 is an ordinary resolution.

## **9.2 Section 208 of the Corporations Act**

Under section 208 of the Corporations Act, for a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The Board has formed the view that the grant of the Bowes Options to Mr Keith Bowes (and/or his nominees) forms reasonable remuneration and as a result, Shareholder approval under section 208 of the Corporations Act is not required.

### **9.3 Listing Rule 10.14**

Listing Rule 10.14 requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities under an employee incentive scheme to a director of the entity, an associate of a director, or a person whose relationship with the entity, a director or an associate of a director is, in ASX's opinion, such that approval should be obtained.

Shareholder approval is required under Listing Rule 10.14 to issue the Bowes Options to Mr Keith Bowes (and/or his nominees) because Mr Bowes is a Director. Furthermore, if Shareholders approve Resolution 6, Listing Rule 7.2 (Exception 14) provides that an issue of Shares upon conversion of those Options will not reduce the Company's 15% placement capacity under Listing Rule 7.1 and separate approval under Resolution 6 is not required for the purposes of Listing Rule 7.1.

The Company will not issue the Bowes Options to Mr Bowes (and/or his nominees) unless Shareholder approval is obtained.

### **9.4 Information required pursuant to Listing Rule 10.15**

The following information is provided as required by Listing Rule 10.15:

- (a) Mr Keith Bowes falls within Listing Rule 10.14.1 – Mr Bowes is a related party of the Company because he is a Director.
- (b) The maximum number of Options that may be issued to Mr Bowes (and/or his nominees) is 2,697,675.
- (c) Mr Bowes' current remuneration package, inclusive of superannuation (not including the Bowes Options) is A\$400,000 per year. Including the Bowes Options, Mr Bowes' total remuneration is A\$925,861, assuming all of the Bowes Options vest in accordance with the valuation in section 9.4(e)(iii).
- (d) Mr Bowes was previously issued:
  - (i) 1,878,000 Options for nil consideration under the Option Plan, which were zero-priced options subject to vesting criteria related to an assessment by the Non-Executive Directors of Mr Bowes' performance against objectives related to key aspects of the Company's business, pursuant to Shareholder approval at the annual general meeting of Shareholders held on 29 November 2021; and
  - (ii) 6,000,000 Options for nil consideration under the Option Plan, which were zero-priced options subject to vesting criteria related to share price performance and Mr Bowes' continued service with the Company, pursuant to Shareholder approval at a general meeting of Shareholders held on 30 July 2021.
- (e) The following information is provided in respect of the Bowes Options:
  - (i) the material terms of the Bowes Options are:

- (A) the STI Options will vest after 30 June 2023 subject to Board confirmation of satisfaction of vesting conditions. The LTI Options will vest after 30 June 2025 subject to Board confirmation of satisfaction of vesting conditions; and
  - (B) the STI Options have an exercise price of zero and an expiry date of 31 October 2025. The LTI Options have an exercise price of zero and an expiry date of 31 October 2027;
- (ii) the other terms and conditions of the Bowes Options are as summarised in Schedule 3 and subject to the Option Plan summarised in Schedule 2;
  - (iii) the Company proposes to issue the Bowes Options to Mr Bowes (and/or his nominees) because the Board recognises the importance of retaining all key personnel and providing the appropriate incentives in order to deliver the Company's objectives. The Board believes Mr Bowes' role as Managing Director is critical to delivering these objectives. Furthermore, the grant of Bowes Options to Mr Bowes (and/or his nominees) is viewed as a cost effective and efficient reward and incentive, as opposed to alternative forms of incentive, such as the payment of additional cash compensation;
  - (iv) a Black & Scholes valuation of the STI Options and LTI Options is not possible due to the zero-exercise price. Applying an exercise price of A\$0.000001, the Black & Scholes valuation model generates a value per STI Option and LTI Option equal to the share price at the time of issue. The assumptions underpinning such a valuation of the Bowes Options are shown in the following table:

Assumptions underpinning valuation of the Bowes Options	
Valuation Date	12 Oct 2022
Price of Shares	A\$0.21
Exercise Prices	A\$0.00
Estimated Fair Value of Each Option with Non-Market Related Performance Criteria	A\$0.21
Estimated Fair Value of Each Option with Market Related Performance Criteria	A\$0.164
Expiry Date (STI Options – 3 Years)	31 Oct 2025
Expiry Date (LTI Options – 5 Years)	31 Oct 2027
Risk Free Interest Rate	3.43%
Volatility	90%

- (v) assuming all of the Bowes Options vest, the Bowes Options have a value of A\$525,861, based on a Share price of A\$0.21, (the closing price of the Shares on ASX on 11 October 2022). The table below shows the value of the Bowes Options under different vesting scenarios:

<b>No. Bowes Options Vested</b>	25%	50%	75%	100%
<b>Value of Bowes Options (A\$)</b>	A\$131,465	\$A262,930	A\$394,395	A\$525,861

- (f) The Company will issue the Bowes Options to Mr Bowes (and/or his nominees) as soon as reasonably practicable after the Meeting, and in any event within three years after the Meeting.
- (g) The Bowes Options will be granted for nil cash consideration and accordingly no funds will be raised from the grant.
- (h) The Company is seeking Shareholder approval for the Option Plan pursuant to Resolution 5. A summary of the terms of the Option Plan is set out in Schedule 2.
- (i) No loan is made in relation to the issue of the Bowes Options to Mr Bowes (and/or his nominees).
- (j) Details of any securities issued under the Option Plan will be published in each annual report relating to a period in which securities have been issued under the Option Plan, with a statement that approval for the issue of the securities was obtained under Listing Rule 10.14.
- (k) Any additional persons (to whom Listing Rule 10.14 applies) who become entitled to participate in the Option Plan after approval of Resolution 6 and who are not named in this Notice, will not participate until approval is obtained under Listing Rule 10.14.
- (l) A voting exclusion statement in relation to Resolution 6 is included in the Notice.

## 9.5 Information required for sections 200B and 200E of the Corporations Act

Under sections 200B and 200E of the Corporations Act, the Company can only give a benefit to a member of Key Management Personnel in connection with retirement from office or employment in the Company with prior Shareholder approval or if any of a number of exceptions apply. Accelerated vesting or automatic vesting of share-based payments may in some cases be a benefit of this kind.

Mr Keith Bowes (and/or his nominees) may become entitled to accelerated vesting or automatic vesting of Options if there is a change in control of the Company or if the Board exercises a discretion upon cessation of service. Approval is sought for Mr Bowes to be given any such benefit in connection with his retirement from office or employment with the Company.

The value of the benefit that might be given to Mr Bowes (and/or his nominees) by the exercise of the Board's discretion under the Option Plan will depend on a number of factors. Accordingly, the precise value of the benefit cannot be ascertained at the present time. Apart from the future Share price being unknown, the following matters which will or are likely to affect the value of the benefits are also unknown:

- (a) the number of Options held by Mr Bowes (and/or his nominees) prior to the cessation of his employment;
- (b) reasons for the cessation of employment and Mr Bowes' length of service;
- (c) the term of the Options remaining;
- (d) the extent to which any vesting conditions or other performance or exercise hurdles have been satisfied; and
- (e) the exercise of the Board's discretion at the relevant time.

## **9.6 Board recommendation**

The Board (excluding Mr Keith Bowes) believe that the issue of the Bowes Options to Mr Bowes (and/or his nominees) is in the best interests of the Company and recommend that Shareholders vote in favour of Resolution 6.

The Chair intends to vote undirected proxies in favour of Resolution 6.

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## **10. RESOLUTION 7 – APPROVAL OF 10% PLACEMENT CAPACITY**

### **10.1 General**

Listing Rule 7.1A provides that an Eligible Entity (as defined below) may seek shareholder approval by special resolution passed at an annual general meeting to have the capacity to issue up to that number of Equity Securities (as defined below) equal to 10% of its issued capital (**10% Placement Capacity**) without using that company's existing 15% annual placement capacity granted under Listing Rule 7.1.

An Eligible Entity is one that, as at the date of the relevant annual general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a market capitalisation equal to or less than A\$300,000,000.

As at the date of this Notice, the Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of approximately A\$298.36m (based on the number of Shares on issue and the closing price of Shares on the ASX on 21 October 2022). If on the date of the Meeting, the Company's market capitalisation exceeds A\$300,000,000 or the Company has been included in the S&P/ASX 300 Index, then Resolution 7 will no longer be effective and must be withdrawn.

An Equity Security is a share, a unit in a trust, a right to a share or unit in a trust or option, an option over an issued or unissued security, a convertible security, or, any security that ASX decides to classify as an equity security.

Any Equity Securities issued under the 10% Placement Capacity must be in the same class as an existing class of quoted Equity Securities.

As at the date of this Notice, the Company currently has one class of quoted Equity Securities on issue, being fully paid ordinary shares in the capital of the Company which are quoted on the ASX under stock code LOT.

If Resolution 7 is passed, the number of Equity Securities the Company may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 and will be able to issue Equity Securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A.

If Resolution 7 is not passed, the Company will not be able to access the additional 10% capacity to issue Equity Securities without Shareholder approval under Listing Rule 7.1A and will remain subject to the 15% limit on issuing Equity Securities without shareholder approval set out in Listing Rule 7.1.

Resolution 7 is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 7 for it to be passed.

## **10.2 Listing Rule 7.1A**

### **(a) Shareholder approval**

The ability to issue Equity Securities under the 10% Placement Capacity is subject to Shareholder approval by way of a special resolution at an annual general meeting.

### **(b) Equity Securities**

Any Equity Securities issued under the 10% Placement Capacity must be in the same class as an existing quoted class of Equity Securities of the Company.

The Company, as at the date of the Notice, has on issue one quoted class of Equity Securities, being Shares.

### **(c) Formula for calculating 10% Placement Capacity**

Listing Rule 7.1A.2 provides that eligible entities which have obtained Shareholder approval at an annual general meeting may issue or agree to issue, during the 12 month period after the date of the annual general meeting, a number of Equity Securities calculated in accordance with the following formula:

#### **(A x D) – E**

**A** is the number of Shares on issue at the commencement of the relevant period:

- (A) plus the number of Shares issued in the relevant period under an exception in Listing Rule 7.2 other than exception 9, 16 or 17;
- (B) plus the number of Shares issued in the relevant period on the conversion of convertible securities within Listing Rule 7.2 exception 9 where:
  - (I) the convertible securities were issued or agreed to be issued before the commencement of the relevant period; or
  - (II) the issue of, or agreement to issue, the convertible securities was approved, or taken

under the Listing Rules to have been approved under Listing Rule 7.1 or 7.4;

- (C) plus the number of Shares issued in the relevant period under an agreement to issue securities within Listing Rule 7.2 exception 16 where:
  - (I) the agreement was entered into before the commencement of the relevant period; or
  - (II) the agreement was approved, or taken under these rules to have been approved, under Listing Rule 7.1 or 7.4;
- (D) plus the number of any other Shares issued in the relevant period with approval under Listing Rule 7.1 or 7.4;
- (E) plus the number of partly paid ordinary shares that became fully paid in the relevant period;
- (F) less the number of Shares cancelled in the relevant period.

Note that A is has the same meaning in Listing Rule 7.1 when calculating an entity's 15% Placement Capacity.

**D** is 10%.

**E** is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with Shareholder approval under Listing Rule 7.4.

(d) **Listing Rule 7.1 and Listing Rule 7.1A**

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% Placement Capacity under Listing Rule 7.1.

At the date of the Notice, the Company has on issue 1,326,030,550 Shares and, subject to Resolution 4 being approved by Shareholders, therefore has a capacity to issue:

- (i) 198,904,582 Equity Securities under Listing Rule 7.1; and
- (ii) subject to Shareholder approval being sought under Resolution 7, 132,603,055 Equity Securities under Listing Rule 7.1A.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 10.2(c)).

(e) **Minimum Issue Price**

The issue price of Equity Securities issued under Listing Rule 7.1A must be not less than 75% of the VWAP of Equity Securities in the same class



calculated over the 15 Trading Days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 10 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

(f) **10% Placement Period**

Shareholder approval of the 10% Placement Capacity under Listing Rule 7.1A is valid from the date of the annual general meeting at which the approval is obtained and expires on the earlier to occur of:

- (i) the date that is 12 months after the date of the annual general meeting at which the approval is obtained;
- (ii) the time and date of the entity's next annual general meeting; or
- (iii) the time and date of shareholder approval of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

(the **10% Placement Period**).

### **10.3 Technical information required by Listing Rule 7.1A**

Pursuant to and in accordance with Listing Rule 7.3A, the information below is provided in relation to this Resolution 7:

(a) **Minimum Price**

The minimum price at which the Equity Securities may be issued is 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 Trading Days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 10 Trading Days of the date in Section 10.3(a)(i), the date on which the Equity Securities are issued.

(b) **Date of Issue**

The Company will only issue the Equity Securities during the 10% Placement Period. The approval under Resolution 7 for the issue of the Equity Securities will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities or Listing Rule 11.2 (disposal of main undertaking)).

(c) **Risk of voting dilution**

Any issue of Equity Securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 7 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in Listing Rule 7.1A(2), on the basis of the market price of Shares and the number of Equity Securities on issue as at 21 October 2022.

The table also shows the voting dilution impact where the number of Shares on issue (Variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Capacity.

Number of Shares on issue		Dilution		
		0.1125	0.2250	0.4500
		50% decrease in Issue Price	Issue Price	100% increase in Issue Price
<b>Shares currently on issue 1,326,030,550</b>	10% Voting Dilution	132,603,055 Shares	132,603,055 Shares	132,603,055 Shares
	Funds raised (A\$)	14,917,844	29,835,687	59,671,375
<b>50% increase in number of Shares on issue 1,989,045,825</b>	10% Voting Dilution	198,904,583 Shares	198,904,583 Shares	198,904,583 Shares
	Funds raised (A\$)	22,376,766	44,753,531	89,507,062
<b>100% increase in number of Shares on issue 2,652,061,100</b>	10% Voting Dilution	265,206,110 Shares	265,206,110 Shares	265,206,110 Shares
	Funds raised (A\$)	29,835,687	59,671,375	119,342,750

\*The number of Shares on issue (Variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval or that are issued with Shareholder approval under Listing Rule 7.1.

**The table above uses the following assumptions:**

1. Variable A is 1,326,030,550, being existing Shares on issue as at the date of this Notice, assuming the Company has not issued any Shares in the 12 months prior to the Meeting that were not issued under an exception in Listing Rule 7.2 or with Shareholder approval under Listing Rule 7.1 and 7.4.
2. The issue price is A\$0.225, being the closing price of the Shares on the ASX on 21 October 2022.
3. The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.

4. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in Listing Rule 7.2 or with approval under Listing Rule 7.1.
5. The issue of Equity Securities under the 10% Placement Capacity consists only of Shares. It is assumed that no Options are exercised into Shares before the date of issue of the Equity Securities.
6. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
7. This table does not set out any dilution pursuant to approvals under Listing Rule 7.1.
8. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue, which is why the voting dilution is shown in each example as 10%.
9. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Capacity, based on that Shareholder's holding at the date of the Meeting.

Shareholders should note that there is a risk that:

- (i) the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and
- (ii) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

**(d) Purpose of Issue under 10% Placement Capacity**

The Company may issue Equity Securities under the 10% Placement Capacity as cash consideration, in which case the Company intends to use funds raised for the potential acquisition of new resources, assets and investments (including expenses associated with such acquisitions), continued exploration expenditure on the Company's current assets (funds would then be used for project, feasibility studies and ongoing project administration) and general working capital.

The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.3 upon issue of any Equity Securities.

**(e) Compliance with Listing Rules 7.1A.4 and 3.10.3**

When the Company issues Equity Securities pursuant to the 10% Placement Capacity, it must give to ASX:

- (i) a list of the recipients of the Equity Securities and the number of Equity Securities issued to each (not for release to the market), in accordance with Listing Rule 7.1A.4; and
- (ii) the information required by Listing Rule 3.10.3 for release to the market.

**(f) Allocation policy under the 10% Placement Capacity**

The recipients of the Equity Securities to be issued under the 10% Placement Capacity have not yet been determined. However, the recipients of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the recipients at the time of an issue under the 10% Placement Capacity (should an issue under the 10% Placement Capacity take place), having regard to the following factors:

- (i) the purpose of the issue;
  - (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other offer where existing Shareholders may participate;
  - (iii) the effect of the issue of the Equity Securities on the control of the Company;
  - (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
  - (v) prevailing market conditions; and
  - (vi) advice from corporate, financial and broking advisers (if applicable).
- (g) **Previous approval under Listing Rule 7.1A**

The Company did not issue or agree to issue any Equity Securities under Listing Rule 7.1A in the last 12 months.

#### **10.4 Board recommendation**

The Board recommends that Shareholders vote in favour of Resolution 7.

The Chair intends to vote undirected proxies in favour of Resolution 7.

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### **11. RESOLUTION 8 – AMENDMENT TO CONSTITUTION**

#### **11.1 General**

It is proposed that the Constitution be amended to permit virtual shareholder meetings being held following recent amendments to the Corporations Act. The amended constitution has been notified to ASX as required under the Listing Rules.

Resolution 8 seeks Shareholder approval for the amendment to the Constitution in accordance with section 136 of the Corporations Act.

A copy of the amended constitution will be sent to any Shareholder on request and will also be available for inspection at the office of the Company during normal business hours prior to the Meeting and available for inspection at the Meeting.

The amended constitution will be effective from the close of the Meeting.

Resolution 8 is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 8 for it to be passed.

#### **11.2 Summary of proposed modifications**

Resolution 8 seeks Shareholder approval to insert the following new Article 13.41:

### **13.41 General Meeting by virtual meeting technology**

*A general meeting of Shareholders may be held using virtual meeting technology only and Shareholders attending virtually are present for the purposes of determining whether a quorum is present.*

### **11.3 Reasons for proposed modifications**

The proposed amendment to the Constitution will allow the Company to hold a wholly virtual meeting pursuant to the *Corporations Amendment (Meetings and Documents) Act 2022* (Cth) which came into effect on 1 April 2022.

If Resolution 8 is approved, the amended Constitution will provide greater flexibility and clarity around how the Company may conduct virtual meetings in the future.

### **11.4 Board Recommendation**

The Board recommends that Shareholders vote in favour of Resolution 8.

The Chair intends to vote undirected proxies in favour of Resolution 8.

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## SCHEDULE 1 - GLOSSARY

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**A\$** means Australian dollars.

**10% Placement Capacity** has the meaning given in Section 10.1.

**10% Placement Period** has the meaning given in Section 10.2(f).

**15% Placement Capacity** has the meaning given in Section 7.2.

**Annual General Meeting** or **Meeting** means the meeting convened by the Notice.

**Annual Report** means the Directors' Report, the Financial Report and the Auditor's Report in respect to the financial year ended 30 June 2022.

**ASIC** means the Australian Securities & Investments Commission.

**Associated Entity** has the same meaning as in section 9 of the Corporations Act.

**ASX** means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

**Auditor's Report** means the auditor's report on the Financial Report.

**AWST** means Australian Western Standard Time as observed in Perth, Western Australia.

**Board** means the board of directors of the Company from time to time.

**Bowes Options** has the meaning given in Section 9.1.

**Chair** means the chair of the Meeting.

**Closely Related Party** of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

**Company** means Lotus Resources Limited (ACN 119 992 175).

**Constitution** means the constitution of the Company as at the commencement of the Meeting.

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Directors** means the directors of the Company from time to time.

**Directors' Report** means the annual directors' report prepared under chapter 2M of the Corporations Act for the Company and its controlled entities.

**Eligible Participant** has the meaning given in Schedule 2.

**Equity Securities** includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an equity security.

**Explanatory Memorandum** means the explanatory memorandum accompanying the Notice.

**Financial Report** means the annual financial report prepared under chapter 2M of the Corporations Act of the Company and its controlled entities.

**Key Management Personnel** has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

**Listing Rules** means the listing rules of ASX.

**LTI Options** has the meaning given in Section 9.1.

**Notice** or **Notice of Meeting** means this notice of meeting including the Explanatory Memorandum and the Proxy Form.

**Offer for Monetary Consideration** means an offer where payment is either required upfront, or at any future stage, for the issue or transfer of Shares or the conversion or exercise of Options.

**Offer for Non-Monetary Consideration** means an offer where there is no payment required upfront, nor at any future stage, for the issue or transfer of Shares or the conversion or exercise of Options.

**Option** means an option to acquire a Share.

**Optionholder** means a holder of an Option.

**Option Plan** means the incentive option plan as summarised in Schedule 2.

**Participant** means an Eligible Participant who has been granted an Option under the Plan Shares.

**Placement** has the meaning given in Section 7.1.

**Placement Shares** has the meaning given in Section 7.1.

**Plan Shares** means all Shares issued or transferred to an Eligible Participant upon the valid exercise of an Option.

**Proxy Form** means the proxy form accompanying the Notice.

**Remuneration Report** means the remuneration report of the Company contained in the Directors' Report.

**Resolutions** means the resolutions set out in the Notice, or any one of them, as the context requires.

**Section** means a section of the Explanatory Memorandum.

**Share** means a fully paid ordinary share in the capital of the Company.

**Shareholder** means a registered holder of a Share.

**Spill Meeting** has the meaning given in Section 4.2.

**Spill Resolution** has the meaning given in Section 4.2.

**STI Options** has the meaning given in Section 9.1.

**Trading Day** has the meaning given in the Listing Rules.

**Variable A** means "A" as set out in the formula in Listing Rule 7.1A(2).

**VWAP** means the volume weighted average price of Shares.



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## SCHEDULE 2 – SUMMARY OF THE KEY TERMS OF THE OPTION PLAN

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The key terms of the Lotus Resources Limited Option Plan (**Option Plan**) are summarised below:

- (a) **Eligibility:** Persons eligible to participate in the Option Plan include:
- (i) an employee or Director of, or an individual who provides services to, the Company or an Associated Entity of the Company or a prospective employee or Director of the Company or an Associated Entity (**Primary Participant**); and
  - (ii) another person (a **Related Person**) on behalf of a primary participant where the related person is a spouse, parent, child or sibling of the primary participant or a body corporate controlled by the primary participant or the related person,
- (**Eligible Participant**).
- (b) **Invitation:** The Board may, from time to time, in its absolute discretion, make a written offer to any Eligible Participant to apply for up to a specified number of Options, upon the terms set out in the Option Plan and upon such additional terms and conditions as the Board determines.
- (c) **Plan limit:** The Board must have reasonable grounds to believe, when making an Invitation for an Offer of Monetary Consideration, that the total number of Plan Shares that may be issued, or acquired upon exercise of Options offered, under an Invitation, when aggregated with the number of Shares issued or that may be issued under an employee scheme during the previous 3 year period would exceed 5% (or such other maximum permitted under any applicable law) of the total number of Shares on issue at the date of the Invitation. For the avoidance of doubt, when making an Invitation for an Offer of Non-Monetary Consideration, there is no limit on the number of Plan Shares that may be issued or acquired upon exercise of Options offered.
- (d) **Vesting Conditions:** An Option may be made subject to vesting conditions as determined by the Board in its discretion and as specified in the offer for the Options (**Vesting Conditions**).
- (e) **Vesting:** The Board may in its absolute discretion decide to permit some or all of the Options to vest, including:
- (i) where a Participant becomes a leaver due to death, redundancy, permanent disability, mental incapacity or retirement; or
  - (ii) due to a change of control occurring.
- (f) **Lapse of an Option:** An Option will lapse upon the earlier to occur of:
- (i) an unauthorised dealing in, or hedging of, the Option occurring;
  - (ii) a Vesting Condition in relation to the Option is not satisfied by its due date, or becomes incapable of satisfaction, as determined by the Board in its absolute discretion, unless the Board exercises its discretion to waive the Vesting Conditions and vest the Option or the Board resolves, in its absolute discretion, to allow the unvested Options to remain unvested after the Participant ceases to be an Eligible Participant;

- (iii) in respect of unvested Option only, a Participant ceases to be an Eligible Participant, unless the Board exercises its discretion to vest the Option or the Board resolves, in its absolute discretion, to allow the unvested Options to remain unvested after the Participant ceases to be an Eligible Participant;
  - (iv) the Board deems that an Option lapses due to fraud, dishonesty or other improper behaviour of the Eligible Participant;
  - (v) the Company undergoes a change of control or a winding up resolution or order is made and the Board does not exercise its discretion to vest the Option; and
  - (vi) the expiry date of the Option.
- (g) **Not transferrable:** Unless the relevant dealing is effected by force of law on death or legal incapacity to the Participant's legal personal representative, a Participant may not sell, assign, transfer, grant a security interest over or otherwise deal with an Option that has been granted to them.
- (h) **Shares:** All Plan Shares will rank on equal terms with all other Shares on issue except for any rights attaching to the Shares by reference to a record date prior to the date of the allotment or transfer of the Plan Shares.
- (i) **Sale Restrictions:** The Board may, in its discretion, determine that any Plan Shares are subject to restrictions on the disposal or other dealing by a Participant for a period of time.
- (j) **Quotation of Shares:** If Shares of the same class as those issued upon exercise of Options issued under the Option Plan are quoted on the ASX, the Company will, apply to the ASX for those Shares to be quoted on ASX within the time required by the Listing Rules. The Company will not apply for quotation of any Options on the ASX.
- (k) **No Participation Rights:** There are no participation rights or entitlements inherent in the Options and Participants will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.
- (l) **Change in exercise price or number of underlying securities:** An Option does not confer the right to a change in exercise price or in the number of underlying Shares over which the Option can be exercised.
- (m) **Reorganisation:** If, at any time, the issued capital of the Company is reorganised (including consolidation, subdivision, reduction or return), the terms of the Options will be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reorganisation.
- (n) **Amendments:** Subject to complying with the Corporations Act, Listing Rules and any other applicable law, the Board may, at any time, amend any of the provisions of the Option Plan, or the terms or conditions of any Option granted under the Option Plan including giving any amendment retrospective effect, provided the amendment does not materially reduce the rights of any Participant.

### SCHEDULE 3- TERMS AND CONDITIONS OF THE BOWES OPTIONS

<b>Eligible Person</b>	Keith Bowes.
<b>Offer Period</b>	The Offer will close at least 14 days after the date of the offer of Options ( <b>Offer</b> ) ( <b>Closing Date</b> ). The Company will not issue any Options before this closing date regardless of the application being submitted before the Closing Date.
<b>No Nomination Right</b>	The applicant may only submit an application in response to this Offer in the applicant's name and not on behalf of any other person.
<b>Number of Options Offered to the Applicant</b>	The applicant may apply for the following Options: Tranche One - Short Term Incentive FY2023: 930,233 Options Tranche Two - Long Term Incentive FY2023: 1,767,442 Options
<b>Nature of Options</b>	Each Option represents a right to be issued one (1) Share, subject to the terms and conditions of the Option Plan.
<b>Offer Date</b>	As soon as practicable after 25 November 2022, assuming grant of the options is approved.
<b>Expiry Date</b>	Tranche One - Short Term Incentive FY2023: 31 October 2025 Tranche Two - Long Term Incentive FY2023: 31 October 2027 Options that are not exercised before the Expiry Date will automatically lapse on the Expiry Date.
<b>Option Fee</b>	No fee is payable upon the grant of the Options.
<b>Option Exercise Price</b>	Tranche One - Short Term Incentive FY2023: A\$0.00 (zero) Tranche Two- Long Term Incentive FY2023: A\$0.00 (zero)
<b>No Transfer</b>	Unless the relevant dealing is effected by force of law on death or legal incapacity to the Participant's legal personal representative, a Participant may not sell, assign, transfer, grant a security interest over or otherwise deal with an Option that has been granted to them.
<b>Vesting Conditions</b>	The Options the subject of this Offer will be subject to Vesting Conditions as summarized in the Explanatory Memorandum. Subject to the satisfaction of the vesting conditions, the Tranche One Options will vest after 30 June 2023 and the Tranche Two Options will vest after 30 June 2025.
<b>Vesting</b>	If all of the Vesting Conditions are satisfied and/or otherwise waived by the Board, a Vesting Notice will be sent to the Optionholder by the Company informing the Optionholder that the relevant Options have vested.  Until the Vesting Notice is issued by the Company, the Options will not be considered to have vested.

	<p>If the Vesting Conditions are not satisfied and/or otherwise waived by the Board, that Option will lapse.</p> <p>The Board may in its absolute discretion by written notice resolve to waive any of the Vesting Conditions applying to Options and decide to permit some or all of the Options to vest, including:</p> <ul style="list-style-type: none"> <li>a) where a Participant becomes a leaver due to death, redundancy, permanent disability, mental incapacity or retirement; or</li> <li>b) due to a change of control occurring.</li> </ul>
<b>Exercise of Vested Options</b>	<p>An Option may not be exercised unless and until that Option has vested, or such earlier date on which the Optionholder is entitled to exercise that Option in accordance with the Option Plan.</p> <p>An Option may be exercised by the delivery of a signed Notice of Exercise (a copy of which will be included with the Optionholder's Vesting Notice) to (or as directed by) the Company within the Expiry Date set out in the Optionholder's Vesting Notice.</p> <p>If the Optionholder does not deliver a signed Notice of Exercise by the Expiry Date, that Option will automatically be forfeited.</p> <p>As soon as practicable after the valid exercise of the Optionholder's Options, the Optionholder will receive the requisite number of Shares.</p>
<b>Lapse of an Option</b>	<p>An Option will lapse upon the earlier to occur of:</p> <ul style="list-style-type: none"> <li>a) an unauthorised dealing in, or hedging of, the Option occurring;</li> <li>b) a Vesting Condition in relation to the Option is not satisfied by its due date, or becomes incapable of satisfaction, as determined by the Board in its absolute discretion, unless the Board exercises its discretion to waive the Vesting Conditions and vest the Option or the Board resolves, in its absolute discretion, to allow the unvested Options to remain unvested after the Participant ceases to be an Eligible Participant;</li> <li>c) in respect of unvested Option only, a Participant ceases to be an Eligible Participant, unless the Board exercises its discretion to vest the Option or the Board resolves, in its absolute discretion, to allow the unvested Options to remain unvested after the Participant ceases to be an Eligible Participant;</li> <li>d) the Board deems that an Option lapses due to fraud, dishonesty or other improper behaviour of the Eligible Participant;</li> <li>e) the Company undergoes a change of control or a winding up resolution or order is made and the Board does not exercise its discretion to vest the Option; and</li> </ul>

	f) the expiry date of the Option.
<b>Sale Restrictions</b>	<p>The Board may, in its discretion, determine that any Plan Shares are subject to restrictions on the disposal or other dealing by a Participant for a period of time.</p> <p>The Shares issued on exercise of the Options will be subject to the Company's Trading Policy.</p>
<b>No Hedging</b>	The Optionholder must not enter into any arrangement for the purpose of hedging the economic exposure to an Option that has been granted to the Optionholder.
<b>Quotation of Options and Shares</b>	<p>The Company will not apply for quotation of any Options on the ASX.</p> <p>Upon exercise of Options into Shares, the Company will apply to the ASX for those Shares to be quoted on ASX within the time required by the ASX Listing Rules.</p>
<b>No Participation Rights</b>	There are no participation rights or entitlements inherent in the Options and Participants will not be entitled to participate in voting or dividends or new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.
<b>Change in exercise price or number of underlying securities</b>	An Option does not confer the right to a change in exercise price or in the number of underlying Shares over which the Option can be exercised.
<b>Reorganisation</b>	If, at any time, the issued capital of the Company is reorganised (including consolidation, bonus issue, subdivision, reduction or return), the terms of the Options will be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reorganisation
<b>Change of Control Event</b>	<p>A Change of Control Event is defined in the Option Plan.</p> <p>If a Change of Control event occurs (or the Board determines that such an event is likely to occur), any unvested Options will immediately vest on the date that the Change of Control event occurs (or on the date that the Board determines that such an event is likely to occur).</p> <p>All Options will become Vested so as to permit the Participant to exercise such Options and tender the Shares received pursuant to such exercise to the Offer and the Participant may tender the Shares received upon such exercise to the Offer.</p>

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**Amendments to Plan Rules**

Provided the amendment does not material reduce the rights of any Participant and subject to complying with the Corporations Act, ASX Listing Rules and any other applicable law, the Board may, at any time, amend any of the provisions of the Option Plan, or the terms or conditions of any Option granted under the Option Plan including giving any amendment retrospective effect.

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**Need assistance?****Phone:**1300 850 505 (within Australia)  
+61 3 9415 4000 (outside Australia)**Online:**[www.investorcentre.com/contact](http://www.investorcentre.com/contact)

LOTRM

MR RETURN SAMPLE  
123 SAMPLE STREET  
SAMPLE SUBURB  
SAMPLETOWN VIC 3030**YOUR VOTE IS IMPORTANT**

For your proxy appointment to be effective it must be received by **10:00am (AWST) on Wednesday, 23 November 2022.**

# Proxy Form

## How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

### APPOINTMENT OF PROXY

**Voting 100% of your holding:** Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

**Voting a portion of your holding:** Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

**Appointing a second proxy:** You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

**A proxy need not be a securityholder of the Company.**

## SIGNING INSTRUCTIONS FOR POSTAL FORMS

**Individual:** Where the holding is in one name, the securityholder must sign.

**Joint Holding:** Where the holding is in more than one name, all of the securityholders should sign.

**Power of Attorney:** If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

## PARTICIPATING IN THE MEETING

### Corporate Representative

If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at [www.investorcentre.com/au](http://www.investorcentre.com/au) and select "Printable Forms".

## Lodge your Proxy Form:

**XX**

### Online:

Lodge your vote online at [www.investorvote.com.au](http://www.investorvote.com.au) using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is

**Control Number: 999999****PIN: 99999**

For Intermediary Online subscribers (custodians) go to [www.intermediaryonline.com](http://www.intermediaryonline.com)

### By Mail:

Computershare Investor Services Pty Limited  
GPO Box 242  
Melbourne VIC 3001  
Australia

### By Fax:

1800 783 447 within Australia or  
+61 3 9473 2555 outside Australia



**PLEASE NOTE:** For security reasons it is important that you keep your SRN/HIN confidential.

You may elect to receive meeting-related documents, or request a particular one, in electronic or physical form and may elect not to receive annual reports. To do so, contact Computershare.



**Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



IND

## Proxy Form

Please mark ☒ to indicate your directions

### Step 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Lotus Resources Limited hereby appoint

☐

the Chairman  
of the Meeting

OR

**PLEASE NOTE:** Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Lotus Resources Limited to be held at Level 20, 140 St Georges Terrace, Perth, WA 6000 on Friday, 25 November 2022 at 10:00am (AWST) and at any adjournment or postponement of that meeting.

**Chairman authorised to exercise undirected proxies on remuneration related resolutions:** Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 1, 5 and 6 (except where I/we have indicated a different voting intention in step 2) even though Resolutions 1, 5 and 6 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

**Important Note:** If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 1, 5 and 6 by marking the appropriate box in step 2.

### Step 2 Items of Business

**PLEASE NOTE:** If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

	For	Against	Abstain
Resolution 1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 Election of Director – Dixie Marshall	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 Re-election of Director – Mark Hanlon	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 Ratification of Placement Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 Approval of Lotus Resources Limited Option Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6 Issue of Options to Keith Bowes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7 Approval of 10% Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8 Amendment to Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

### Step 3 Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Securityholder 2

Securityholder 3

Sole Director & Sole Company Secretary

Director

Director/Company Secretary

Date

**Update your communication details** (Optional)

Mobile Number

Email Address

By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically

